

# Section E

## *Integration*

## 5.1 WASTE MANAGEMENT PLANS OF THE MUNICIPALITY

In the absence of an integrated Waste Management Plan, the waste management strategy of the Municipality is described in the strategy formulation section of this IDP; within its context of national, provincial and sectoral integration requirements. In summary, that approach could be explained as follows:

The Municipality's waste management strategies are driven by the following principles:

### ***Sustainable Living***

Municipalities are in a unique position to encourage the kind of lifestyle choices that will promote sustainable living. They can achieve this by taking into account economic, social and natural environmental factors in their decisions and the activities that they undertake.

### ***Economic Incentives***

Recycling is an activity that needs both financial and logistical support, especially in the early stages of an initiative, if it is to be successful and sustainable. Such support could include the following:

- Direct cash payment in return for materials delivered or collected e.g. at a buy back facility
- Subsidies for collection and transport of materials for recycling
- Tax incentives, including tax exemption for recyclers who purchase new recycling equipment; low interest loans for purchase of recycling capital equipment; landfill charges or taxes; and raw material charges.
- Enhancing market conditions for recycling by ensuring the supply of recyclable materials and simultaneously stimulating demand for products made from recycled materials.

### ***Regulations***

Government might set targets to promote recycling. Although there is currently no law requiring recycling, future recycling targets might be regulated by law. Such targets should set realistic levels of recycling within achievable timeframes and be agreed in consultation with the key role-players in the recycling chain.

The Phumelela Local Municipality's response to the demands for integrated waste management planning is as follows:

#### **(1) Review the regulatory guidelines for waste management in the area**

The Municipality will review its by-laws, policies, strategies, plans and programmes related to waste management in order to ensure that it is in line with the National Waste Management Strategy and Action Plan and to ensure that there is a sound and effective statutory framework in place for waste management practices in the municipality. It is envisaged that the integrated statutory framework will ultimately address the waste management needs of the municipality holistically.

#### **(2) Conduct a comprehensive waste situation analysis**

The Municipality will conduct a comprehensive analysis and survey of the waste situation, challenges, constraints and actual waste disposal capacity in the area. The aim will be to obtain accurate and reliable data that could be used to inform the envisaged by-laws, programmes and strategies aimed at effective and environmental friendly waste disposal.

Such a survey would address the following issues:

- A Gaps and Needs Analysis.
- A Waste Generation Model.

- Economic Analysis of Options concerning Landfill Sites.
- Collection Needs.

### **(3) Awareness campaigns**

The Municipality plans to make extensive use of awareness campaigns as an inexpensive way of working towards achieving its waste management objectives.

The Municipality intents to set up a data-base with the aim of keeping records of all waste management and waste disposal statistics, as required by the National Waste Management Strategy, as soon as the necessary administrative capacity is in place.

The Municipality is planning to gradually introduce and popularize waste recycling initiatives. However, due to resource and capacity constraints, these initiatives will for the short and medium term focus on awareness creation.

The Municipality does not currently have the resource and budget capacity to invest in alternative waste collection and transportation. The immediate focus will be to sustain current levels of services and make the community aware of the importance of sustainable waste collection practices.

Given the current capacity limitations of the Municipality, short to medium term strategies will focus on developing and implementing a waste classification system. In this regard, mention could be made of the following categories of waste<sup>1</sup>:

**Solid Waste** is waste of a solid nature generated by a person, business or industry.

**Domestic solid waste (General Waste)** is solid waste generated by single or multifamily residential dwellings, and solid waste of a non-hazardous nature, generated by wholesale, retail, institutional or service establishments such as office buildings, stores, markets, restaurants, theatres, hotels, warehouses, industrial operations and manufacturing processes.

**Hazardous waste** is any waste which by reason of chemical reactivity, or toxic, explosive, corrosive or other characteristics causes danger or is likely to cause danger to human health or the environment, whether alone or in combination with other wastes. Hazardous waste is categorized in four hazard ratings with 1 being the most hazardous and 4 being the least hazardous.

**Medical waste** is any waste generated by hospitals, clinics, nursing homes, doctor's offices, medical laboratories, research facilities and veterinarians, which are infectious or potentially infectious.

**Special waste** is a non-hazardous waste, which due to its nature requires special or separate handling at a sanitary landfill. Special wastes include but are not limited to tires, asbestos, demolition waste, industrial sludges of a non-hazardous nature, paper mill sludge, olive oil waste, abattoir wastes and petroleum waste oil.

In terms of waste disposal sites, the short to medium term emphasis of the Municipality will be on solving issues related to the location of landfill sites (too close to urban areas)<sup>2</sup> and the fact that some landfill sites are located on private property.

The Municipality's capacity constraints do not allow it to fully comply with all the requirements mentioned above. However, once the current challenges relating to the existing landfill sites are resolved, the Municipality will amend its waste management strategies to ensure a gradual introduction of initiatives aimed at ensuring full compliance.

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<sup>1</sup> Integrated Waste Management Master Plan - June 2003 (Amajuba Municipality)

<sup>2</sup> The waste disposal site in Memel is situated near the Pampoenspruit and holds a danger of polluting the Seekoeivlei wetland. This site will have to be relocated within the near future.

## 5.2 INTEGRATED DISASTER MANAGEMENT

In March 2008 the Disaster Management Plan was reviewed. During the work session, the following was outlined:

- Disaster management must deal with proactive and reactive maintenance of possible disaster areas.
- It was also noted that the District Municipality should play more of an active role in assisting the local Municipalities.

The following was identified by the participants:

### Steps for Incidents:

- Create ground “0” meaning to vacate the disaster area
- Inform affected communities regularly
- Assess regularly

### Operational Structure of the Disaster Management Committee :

- Mayor
- Emergency services
- Police
- Hospitals
- Community based organizations

### Risk Response

#### Proactive:

Pro-action refers to determining possible disasters, maintaining the area and educating the public on possible disasters. Disasters were further classified into the following:

#### NATURAL DISASTERS:

- Floods
- Fire
- Snow
- Storms
- Disease/s
- Drought
- HIV/Aids

The Municipality is especially exposed to fires, soil erosion, the indiscriminate destruction of natural vegetation and storms as major potential sources of disasters. Especially in Thembahlile the houses are old and not properly constructed, and therefore especially exposed to storms.

Other disasters that impact directly on the budget of the municipality include:

- (1) Motor vehicle accidents.
- (2) Livestock that graze in residential areas.
- (3) Sewerage spill-over into the Cornelius River.
- (4) A water tank that is not properly maintained and is causing unnecessary water losses.

## **5.3 INTEGRATED ENVIRONMENTAL MANAGEMENT PLANNING**

The Integrated Environmental Programme's purpose is to contribute to a healthy environment by ensuring that urgent environmental issues are adequately addressed and that proposed projects have no negative impact on the natural environment.

### **3.1 Legislative and Policy Framework for Environmental Sustainable Development**

A major component of this environmental programme is an assessment of the legal requirement necessary for sustainable development in Phumelela. This section constitutes an indication of those requirements.

#### **□ The National Environmental Management Act principles:**

Section 2 of The National Environmental Management Act (107 of 1998), or referred to as NEMA, requires all organs of the State to implement and adhere to the principles set out in Chapter one of NEMA. All organs of State also have the responsibility to protect, promote and conserve the needs of the people. NEMA Section 2 also stipulates that the organs of State have to serve as a framework for environmental management and it is their duty to guide the implementation of this Act. It is therefore a prime requisite of the Phumelela local municipality to incorporate this wider environmental analysis.

NEMA sets clear principles for guidance in the stipulation of general principles for the environmental programme (Section 2 of NEMA).

These principles are summarized below:

1).Environmental management must place people and their needs at the forefront of its concern, and serve their physical, psychological, developmental, cultural and social interests equitably.

**2).Development must be sustainable socially (people), environmentally (planet) and economically (prosperity).**  
**3).Sustainable development requires the consideration of all the relevant factors, including the following:**

- To avoid and minimize:
  - the disturbance of ecosystems and loss of biological diversity
  - the disturbance of landscapes and sites that constitute the cultural heritage
  - pollution and degradation of the environment

- waste (re-use or recycle)
- The responsible and equitable use of renewable and non-renewable resources
- That a risk prevention approach are taken, and
- The prevention of negative impacts on the environment and on people's environmental rights
- Environmental justice must be pursued so that adverse environmental effects shall not be distributed in such a manner as to unfairly discriminate against any person.

At the core of the NEMA principles are thus primarily the needs of the people, and social, environmental and economical sustainable development. These core guidelines act as excellent indicators when measuring all potential development.

**□ Strategic Environmental Assessment principles:**

Strategic Environmental Assessment (SEA) aims to ensure that environmental issues are addressed from an early stage in the process of formulating policies, plans and programmes, and incorporated throughout this process. In The development and understanding of SEA will assist in practically implementing sustainability and moving towards a true integration of economic, social and biophysical goals.

Ten principles are proposed for SEA in South Africa. These principles are the fundamental premises underpinning SEA methodologies in South Africa and provide the theoretical base for the development of local SEA processes.

The following is the ten principles of SEA for South Africa:

1. SEA is driven by the concept of sustainability;
2. SEA identifies the opportunities and constraints, which the environment places on the development of plans and programmes;
3. SEA sets the criteria for levels of environmental quality or limits of acceptable change;
4. SEA is a flexible process, which is adaptable to the planning and sectoral development cycle;
5. SEA is a strategic process, which begins with the conceptualization of the plan or programme;
6. SEA is part of a tiered approach to environmental assessment and management;
7. The scope of an SEA is defined within the wider context of environmental processes;
8. SEA is a participative process;
9. SEA is set within the context of alternative scenarios;
10. SEA includes the concepts of precaution and continuous improvement.

**□ The Environmental Conservation Act (Act 73 of 1989)**

The MEC may, through the Environmental Conservation Act (ECA), identify those activities that will have a detrimental effect on the environment, and those activities will be prohibited. The MEC also has the right to identify areas of limited development for any activities relating to infrastructure, land use or resources. This could be areas with red-data species, wetlands or any other environmentally sensitive areas.

The following table is a summary of the environmental management functions of the different departments and the applicable legislation.

**Table 12: Framework for Environmental Management**

Responsible department	Environmental management function	Applicable legislation
Department of Tourism, Economic	Nature Conservation, game management, control of alien	♦ Environmental Conservation Act, No. 73 of 1989

Responsible department	Environmental management function	Applicable legislation
and Environmental Affairs	species.	<ul style="list-style-type: none"> <li>◆ Orange Free State Conservation Ordinance No. 8 of 1969</li> </ul>
Department of Tourism, Economic and Environmental Affairs	Impact Assessments.	<ul style="list-style-type: none"> <li>◆ Environmental Conservation Act, No. 73 of 1989</li> <li>◆ Minerals Act, No. 50 of 1991</li> <li>◆ Atmospheric Pollution Prevention Act, No. 45 of 1945</li> <li>◆ Conservation of Agricultural Resources Act, No. 43 of 1983</li> <li>◆ Hazardous Substance Act, No. 15 of 1973</li> <li>◆ Health Act, No. 63 of 1977</li> <li>◆ SABS Code of safe disposal of medical waste</li> <li>◆ National Heritage Resource Act</li> <li>◆ National Parks Act, No. 57 of 1976</li> <li>◆ National Road Act, No. 54 of 1971</li> <li>◆ Occupational Health and Safety Act, No. 85 of 1993</li> <li>◆ National Water Act, No. 36 of 1998</li> <li>◆ Development Facilitation Act, No. 67 of 1995</li> <li>◆ National Environmental Management Act, No. 107 of 1998</li> </ul>
Department of Agriculture	Land Care; Soil Conservation	<ul style="list-style-type: none"> <li>◆ Subdivision of Agricultural Land Act, No. 70 of 1970</li> <li>◆ Conservation of Agricultural Resources Act, No. 43 of 1983</li> </ul>
National Department of Agriculture	Public Health; Animal Health; Veterinary services	<ul style="list-style-type: none"> <li>◆ Pest Control Act, No. 36 of 1963</li> <li>◆ Fencing Act, No. 31 of 1963</li> <li>◆ Veld and Forest fires Act, No. 101 of 1998</li> <li>◆ Fertilizers, Farm Feeds,</li> </ul>

Responsible department	Environmental management function	Applicable legislation
		Agricultural Remedies and Stock Remedies Act, No. 36 of 1947
Department of Health	Integrated Environmental Health; Safe food; Air pollution control	<ul style="list-style-type: none"> <li>◆ National Water Act, No. 36 of 1998</li> <li>◆ Water Services Act, No. 108 of 1997</li> <li>◆ Health Act, No. 63 of 1977</li> <li>◆ Environmental Conservation Act, No. 73 of 1989</li> <li>◆ Guidelines on sewerage sludge</li> <li>◆ Quality of domestic water supplies sampling guides</li> <li>◆ National Sanitation policy</li> <li>◆ Hazardous Substance Act, No. 15 of 1973</li> <li>◆ Food Premises Hygiene Regulations R918 of 30 July 1999</li> </ul>
Department of Local Government and Housing	Land Use Control	<ul style="list-style-type: none"> <li>◆ Development Facilitation Act, No. 67 of 1995</li> <li>◆ Township Ordinance, No. 9 of 1969</li> <li>◆ Removal of Restrictive Conditions, No. 84 of 1967</li> <li>◆ Physical Planning Act, No. 125 of 1991</li> <li>◆ Subdivision of Agricultural land Guidelines</li> <li>◆ Regulations for the amendment or withdrawal of regional or urban structure plans</li> <li>◆ Free State LDO regulations (PG 246 of 14 November 1997)</li> <li>◆ National Heritage Resource Act of 1999</li> <li>◆ Local Government Municipal Systems Act, No. 32 of 2000</li> <li>◆ Guidelines for Human Settlement and Design</li> </ul>

Responsible department	Environmental management function	Applicable legislation
Provincial office of Department of Water Affairs and Forestry	Water Resource management; Waste management	<ul style="list-style-type: none"> <li>◆ National Water Act, No. 36 of 1998</li> <li>◆ Water Services Act, No. 108 of 1997</li> <li>◆ Health Act, No. 63 of 1977</li> <li>◆ Environmental Conservation Act, No. 73 of 1989</li> <li>◆ Minerals Act, No. 50 of 1991</li> <li>◆ Mountain Catchment Areas Act, No. 63 of 1970</li> </ul>
Provincial office of Department of Mineral and Energy Affairs	Mineral resources management; Assessing of EMP's	<ul style="list-style-type: none"> <li>◆ National Water Act, No. 36 of 1998</li> <li>◆ Water Services Act, No. 108 of 1997</li> <li>◆ Health Act, No. 63 of 1977</li> <li>◆ Environmental Conservation Act, No. 73 of 1989</li> <li>◆ Minerals Act, No. 50 of 1991</li> <li>◆ Mountain Catchment Areas Act, No. 63 of 1970</li> <li>◆ Development Facilitation Act, No. 67 of 1995</li> <li>◆ National Environmental Management Act, No. 107 of 1998</li> <li>◆ Atmospheric Pollution Prevention Act, No. 45 of 1945</li> <li>◆ National Nuclear Regulator Act, 1999</li> <li>◆ Mine Health and Safety Act, 1996</li> <li>◆ Conservation of Agricultural Resources Act, No. 43 of 1983</li> <li>◆ Free State Nature Conservation Ordinance, No. 8 of 1969</li> <li>◆ National Monument Act, No. 28 of 1969</li> <li>◆ National Heritage Resource Act, 1999</li> </ul>

Responsible department	Environmental management function	Applicable legislation
		◆ Free State Township Ordinance, No. 9 of 1969

## 5.4 INTEGRATED INFRASTRUCTURE PLANNING

The most common cause of the failure of paved (usually bituminous) road surfaces is neglect – neglect of routine maintenance, and neglect to repair damage without delay. Neglect of surface damage or of cracking leads to water penetration of the underlying layers, and consequent erosion followed by loss of a portion of the paved surface (the formation of "potholes"). Another common cause is overloading – for example, a road might, for economic reasons, be designed in the expectation that heavy traffic will be infrequent, but the use by heavy vehicles then increases significantly, with consequent damage.

Of all the infrastructure services, roads have been usually the most affected by municipal boundary changes. When the pre-2000 municipalities that constituted the core of many of the new municipalities formed in 2000 were absorbed into geographically large entities, the additional areas usually had a roads system longer, sometimes by multiples, than that in the core municipality, and often in substandard condition.

The pavement management system records of the paved roads (i.e. not graveled roads) of a substantial proportion of the municipalities in the Western Cape were surveyed during 2004. It was found *inter alia* that (Western Cape Province 2004):

- 8% of the network has deteriorated "mainly due to the lack of maintenance", to the extent that the roads need to be reconstructed – at a cost of R750 million;
- the cost of the resurfacing backlog that has accumulated is R500 million; and
- catching up on these backlogs over five years would require a six fold increase in current budgets.

Because of the two sets of municipal boundary changes that took place, in 1996 and in 2000, there are major discontinuities in the road condition trend data that many municipalities had been keeping over the years. However, one broad study conducted by the DBSA in 1998 does indicate the condition of the country's road network. At that time, the DBSA estimated that R 4.1 billion would be needed per year for the following 10 years to prevent the further deterioration of South Africa's road network<sup>3</sup>.

The Phumelela Municipality's main concern is access roads, the condition of which has deteriorated alarming over the last couple of years. The emphases is therefore on

- (1) repairing and properly maintaining access roads, and on
- (2) expanding access to decent quality internal roads in the lesser developed areas of the municipal jurisdiction.

The infrastructure planning in the Municipality has two broad aims, which are:

- (1) To maintain the current quality of infrastructure in the more developed areas in order to maintain and even improve its ability to sustain future social, economic and technical development; and
- (2) To ensure that the infrastructure in the previously disadvantaged areas of the municipal area are improved.

However, in planning the envisaged infrastructure development, the following contextual statements from the municipality's SDF will be considered:

<sup>3</sup> *The State of Municipal Infrastructure in South Africa and its Operation and Maintenance: An Overview (August 2006)*. (CSIR and CIDB)

- Small land parcels between Vrede and Tembalihle should be utilized for higher density rental-and ownership units;
- Different housing typologies need to be implemented aimed at different income levels and sustainability; and
- Future residential development will be subject to adequate bulk infrastructure.

The last statement (especially) confirms the direct inter-dependence between this Plan and the ability of the Municipality to achieve its spatial development objectives. The two plans, or strategies, are therefore considered as mutually informative. In this regard, future infrastructure expansion will be guided by the information contained in the SDF. Over the short and medium term this would implies that, with regard to future residential development area, the following areas are proposed, and infrastructure expansion will therefore have to follow suit<sup>4</sup>:

- Vrede: Medium-to longterm southwards expansions;
- Tembalihle: Short-term expansion to the west and south of the existing residential areas. The southern area must be investigated and designed not to have a detrimental effort on the existing river system.
- A medium term development area is proposed to the west of Tembalihle (south of oxidation ponds).
- Considering the location of Memel and Zamani respectively in relation to the entire municipal area and urban fringe, it becomes clear that the only logical expansion area for the town is to develop over the short-to medium term in the infill areas between the two towns towards Pampoen spruit, including the unused golf course.
- A smaller area for medium-to long-term development (Priority B) was identified to the north of Zamani, along the S/782 Road to Vrede. The reason being to divert some of the developments away from the Pampoen spruit.
- Warden / Ezenzeleni:** Future development of medium income areas will be promoted by way of densification within all areas of Warden and Ezenzeleni, but with specific focus on the most eastern part of Warden.

The municipality manages and monitors the projects exposed in this Plan through its Municipal Monitoring and Evaluation System. The structural arrangements according to which this process flows is as follows:

- (1) The Municipality takes the projects from the Integrated Infrastructure Investment Plan (IDP) to the annual Service Delivery and Budget Implementation Plan for the 2010/11 financial year. The performance of the municipality (organisation) as well as that of individual section 57 managers is then be assessed against the key performance indicators and targets in the SDBIP.
- (2) A *multi-year plan (Departmental Service Delivery and Budget Implementation Plan)* is prepared for each of the Departments in the municipality. These Plans are requirements for the structured cascading down of the IDP to implementation levels in the municipality and include details of infrastructure maintenance, upgrading and expansion projects exposed in this Plan.
- (3) A *Municipal (to-layer) Service Delivery and Budget Implementation Plan (SDBIP)* is then compiled to integrate the individual Departmental SDBIPs and guide the design and development of an organisational scorecard for the Municipality in respect of planned performance for a specific financial year.
- (4) The Municipality align its budget with its Municipal (top-layer) Service Delivery and Budget Implementation Plan as part of the annual planning and budgeting processes as prescribed in the Municipal Systems Act, 2000 and the Municipal Finance Management Act, 2003.
- (5) The Municipality annually reviews its institutional *performance scorecard*. The scorecard reflects a balanced approach to measuring, reviewing and assessing organisational performance. In this regard the word *balanced* implies that the scorecard must reflect the Key Performance Areas and IDP Objectives of the Municipal IDP. The Performance scorecard of the Phumelela Local Municipality includes the projects and budgets exposed in this Plan.

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<sup>4</sup> Source: Phumelela SDF

## 5.5 5-YEAR FINANCIAL PLAN

This **five year financial plan** is direct outflow from the Integrated Development Planning (IDP) process and is also a legal requirement in terms of Chapter V, section 26 of the Local Government: Municipal System Act, 2000.

The purpose of the five-year financial plan is simply to ensure the financial viability and sustainability of the Municipality's operations and investments. This means that the financial plan will serve as a Medium Term Strategic Financial Framework (MTSFF), for allocating all available Municipal resources (personnel, equipment, potential, income etc.) through a proper Municipal budgeting process.

The above objective can only be achieved through setting up of appropriate guidelines, strategies, policies and procedures – hence the purpose of this document.

The five-year capital investment programme as well as the five-year action programme, also contained in this document supports the five-year financial plan for the municipality.

As a mid-term financial framework for managing Municipal revenue collection and for expenditure planning this plan includes capital and recurrent expenditure and serves as a crucial document for ensuring a close planning – budgeting link.

**The 5-Year Financial Plan includes a summary statement of the financial management arrangements including:**

- an inventory and short description of financial management resources including Financial Supervisory Authority,
- Implementation Authority and other resources such as the treasurer and internal auditor and
- base financial management guidelines and procedures including *inter alia* rates and tariff policies, credit control and
- debt collection policy,

**A summary statement of the financial strategy including:**

- basic financial guidelines and procedures,
- capital and operational financing strategies,
- revenue raising strategies,
- asset management strategies and
- cost - effectiveness strategies.

**A tabular revenue and expenditure forecast for 5 years including:**

- a statement of the financial position of the Council and
- rates and tariffs forecast,
- A tabular summary of the 3-year Medium Term Expenditure Framework (MTEF).
- The Municipal Council serves as the highest financial authority responsible for managing and supervising financial matter within the Municipality. More specifically, the Council is responsible for setting up and approve the annual budget as well as financial statements of the Municipality. The Municipal Manager is the accounting officer responsible for implementing all council resolutions and is therefore responsible for implementing all financial decisions. Officials employed within the Financial Services Department support the Municipal manager.

- Apart from the above management structures, all financial matters of the Municipality are currently running on the Abakus financial system, which is a fully integrated system. Only the treasury department is at present connected to the main server.
- Apart from the Abakus system used for financial administration, other departments also make use of task specific software. The municipalities make use of CSIR software to calibrate and keep record of environmental quality such as water purity. The provision of water and electricity is also managed through modelling software from the National Electricity Regulator (NER) and the Department of Water Affairs and Forestry (DWAF).

**The Financial strategy is based on four aspects namely:**

- Financial sustainability
- Financial Viability
- Keeping sound financial records
- Effectively dealing with the Auditor-General's concerns.

**It is within this context the following was suggested as the framework:**

- 1) Reduction of financial commitments
- 2) Increase the revenue of the municipality
- 3) Improvement of the financial record keeping, compliance and management

The Municipality's financial policies and strategies are aimed at achieving the following long-terms objectives:

- Cut down of telephone bills
- Keeping proper records and control
- Reduction in fuel consumption
- Electricity and water theft
- Proper administration of prepaid metres
- Control over salaries, including developing a proper salary system. It is also related to improved productivity and the proper utilisation of staff
- Saving on chemicals
- Repairs to motor vehicles (Spending too much on repairs – municipality saving on repairs)
- Repairs of refuse dumps to create an additional income
- Generate additional money
- Creating partnerships and improving income
- The cost of maintaining ageing infrastructure
- Wastage of expenditure

The municipality acknowledges the principle of life-cycle planning, maintenance and operating of its fixed assets, and its asset management policies and procedures subsequently makes provision for –

- (1) The purchased through Supply Chain Management processes of the municipality, and the proper recording or accounting of such assets in the municipality's accounting records.
- (2) Municipal departments must implement adequate safeguarding techniques for assets commensurate with the asset value and usefulness in service delivery. As soon as the municipal asset register is properly updated, tangible assets must be physically verified at least annually, any significant discrepancies investigated and any losses reported.
- (3) Information stored on municipal data-bases must be handled and controlled according to the municipality's record-keeping policies and with due regard to its confidentiality and security arrangements. It must also ensure the availability of records for auditing and related reporting purposes.

(4) The disposal or transfer of assets must be recommended by the Accounting Officer (Municipal Manager) and could only be approved by Council.

An Asset management system will be developed and implemented: The development of an institutional Employment Equity Plan is a legislative requirement and an immediate priority. Once this has been finalized, the focus will shift towards ensuring compliance to the Plan in Municipality employment and recruitment systems and practices.

Other and related asset management issues that are on the Municipal agenda include:

- Control over fuel bills.
- Proper management of log sheets to control the use and prevent the misuse of municipal vehicles.
- Reduction in the use of chemicals.
- Measure to prevent theft and wastage of municipal assets
- Measures to regulate the repairs to motor vehicles (prompt repairs to save the municipality on additional expenses)
- Liquidation of Assets
- Poor Property Management

#### ***Asset Management Strategies***

Prior to the formulation of definite asset management strategies, it was necessary to compile a concise list of main strategic assets of the Municipality. Deriving from the asset assessment, it was possible to identify a number of asset management strategies, which are required to safeguard the most strategic assets of the municipality. A detailed Asset Register for the whole of Municipality has been compiled by Management Support Services. An Asset Policy has been approved by the Municipal Council.

## **5.6 INTEGRATED INSTITUTIONAL PROGRAMME**

The Phumelela Municipality's Institutional Plan relates directly to, and reflects its actions to facilitate organisational development in an organised and structured manner. In this regard, it is a key ingredient of its strategy to satisfy the requirements of the Key Performance Area Institutional Development and Transformation.

The purpose of the Organizational Development function in the Human Resources Division is to design and facilitate the implementation of organisational development interventions to enhance organisational improvement. Current organisational development activities include performance evaluation, organizational values, change management, succession planning, process analysis and teambuilding.

From this perspective, this (the Institutional Plan) deal with the following issues:

- (1) Organisational Structuring and Design
- (2) Individual Performance Development and Improvement
- (3) Employee Assistance
- (4) The Integrated Human Resource Strategy of the Municipality

Existing policies and legislation implemented and or needs to be implemented by Phumelela is listed below

## **Policies and legislative requirements**

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The status of the policies and requirements are:

It must be noted that during the participative process it was pointed out that the Municipality must conduct a policy audit as some are outdated and new policy must be formulated based on the new strategic alignment.

The following key initiatives are presently part of the municipal IDP and SDBIp planning framework, aimed at updating key institutional policies and strategies:

- Development of an HR Strategy
- Agreement with employers to deduct moneys owned to the municipality from their salaries
- Finalisation of a sexual harassment policy
- Drafting of a cash management and banking policy
- Drafting of an investment policy (new)
- Drafting of by-laws
- Drafting of a fixed asset management policy
- Drafting of a language policy
- Operationalisation of the municipal code of conduct (declaration from councillors and employees)
- Drafting of a public participation guide
- Organisational structure reviewed by the end of the 2008/09 financial year
- Municipal skills development plan implemented
- Skills development facilitator appointed
- A Batho Pele implementation programme developed and implemented
- Employment equity plan developed and implemented

## **Political Management**

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The Phumelela Local Municipality was established in terms of Section 14 of the Local Government: Municipal Structures Act, Act No 117 of 1998) and was published in Provincial Gazette No 109 dated 28 September 2000. The new Local Municipality is a category B Municipality with a plenary executive system as contemplated in Section 3(b) of the Determination of Types of Municipality Act, 2000 (Act No 1 of 2000).

## **Compilation of wards and registered voters**

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The Phumelela area of jurisdiction consists of 7 wards with a total of 22606 registered voters.

**The distribution of these voters amongst the different voting wards is indicated below:**

- Ward 1 : 3393
- Ward 2 : 3592
- Ward 3 : 3009
- Ward 4 : 3533
- Ward 5 : 3023
- Ward 6 : 3526
- Ward 7 : 2530

## Council Functioning

The powers and function assigned to the Municipality are stipulated in sections 156 and 229 of the Constitution and Sections 83 and 84 of the Local Government: Municipal Structures Act, 1998. There are 14 Councillors with the speaker and plenary being full time. The organizational structures and levels of administration and existing human resources are indicated in the diagrams in this Chapter. The Council meets 6 times per annum and special council meeting take place as the need may arise. Management meets weekly.

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From this perspective, this (the Institutional Plan) deal with the following issues:

- (5) Organisational Structuring and Design
- (6) Individual Performance Development and Improvement
- (7) Employee Assistance
- (8) The Integrated Human Resource Strategy of the Municipality

## 5.7 INSTITUTIONAL PERFORMANCE MANAGEMENT SYSTEM

The overall purpose of developing a performance management system is to measure the extent of the implementation of the Phumelela Local Municipality's integrated development plan. This will indicate whether key focus areas such as basic service delivery extension, poverty alleviation and local government transformation are being addressed.

There are four key phases in the performance management cycle. These phases must be linked to the planning and reviewing phases of the organisation as a whole. Within the Municipality the annual cycle of planning and budgeting takes place in the form of the IDP. Out of that the broad outcomes and key performance areas for a municipality are developed or re-confirmed by the political leadership. Based on the broad indicators the various Departments should develop business plans or technical SDBIP's that translate the Municipality's key performance indicators (KPI's) into indicators for the Department. The targets set out in the SDBIP or operational plan for a Department become the key performance objectives or indicators for the head of a particular Department.

Thus the performance management cycle is linked to the local government financial year. As soon as the IDP is adopted in **June**, managers and staff sign their annual performance agreement or scorecard in **July**. Monitoring takes place throughout the year, and reviewing and rewarding are carried out the following **June** at the end of the financial year.

The institutional framework for the performance management process is as follows:

- (1) The Council will receive a performance report from the Mayor on a mid-year basis (half-yearly).

- (2) The Mayor is responsible for ensuring that the senior management of Phumelela Local Municipality gather relevant information throughout each reporting period and submit progress reports on a quarterly basis.
- (3) The Municipal Manager and the senior management team must ensure that the key performance indicators and performance targets set are met. This requires proper work planning and scheduling, appropriate resourcing of activities and continuous supervision. The senior management must also identify sub standard performance and take corrective action where necessary to ensure that performance targets will be met.
- (4) The internal auditing function must audit and assess –
  - the accuracy of performance reports;
  - the functionality of the performance management system;
  - whether the performance management system complies with the Municipal Systems Act;
  - the extent to which the municipality's performance measurements are reliable in measuring performance;
  - the performance measurements of the Local Municipality; and
  - submit quarterly reports to the Municipal Manager and the Performance Audit Committee.
- (5) The Performance Audit Committee must –
  - review the quarterly reports submitted to it;
  - review the performance management system focusing on economy, efficiency, effectiveness and impact in so far as the key performance indicators and performance targets set by Phumelela Local Municipality are concerned and make recommendations in this regard to the Council through the Mayor; and
  - at least twice in a financial year submit an audit report to the Council through the Mayor.
- (6) The Municipal Manager must compile an annual performance management report for submission to the Council through the Mayor. Access to this report must be provided to community structures, the MEC for local government, the Auditor General and the Minister for Provincial and Local Government.

## 5.8 INTEGRATED HIV AND AIDS PROGRAMME

The purpose of the Integrated HIV/AIDS Programme is to determine a set of measures, that is systematic and conclusive, to prevent the spread of HIV/AIDS and to deal with its consequences. A broad range of role-players determines these measures, and its prevention and consequences require coordinated responses of all institutions and sections involved in municipal development.

Although no direct figures could be obtained to reflect the HIV/AIDS prevalence at local levels, it is evident from discussions with health personnel that a drastic rise is being experienced. The close vicinity of the municipal area to provinces such as KwaZulu Natal and Mpumalanga (known for relatively high prevalence rates), as well as the high volumes of truck distribution routes probably contribute to this.

Ignorance and misconceptions regarding HIV/AIDS forms the core reasons for the causes of this epidemic. Poverty plays an important role in the spreading of HIV/AIDS, because in many cases women have to resort to prostitution for an income to be able to care for her family and children. Unemployment is regarded as a cause of the spreading of HIV/AIDS. Mainly because this may lead to prostitution, and because people are idling away their time, when they should have been working.

The most important factor in the prevention of HIV/AIDS is to abstain from having sexual intercourse outside of marriage. And if this is not possible, to always use a condom when having sex.

It is also very important to educate people on the great dangers HIV/AIDS holds. And educate people on how to avoid the spreading of HIV/AIDS.

The role-players involved in assisting the prevention of the spread of HIV/AIDS are the following:

- Government
- Municipalities
- NGO's
- Businesses
- Welfare organizations (Hospice, for example)

These organizations all have a very important role to play in assisting the prevention of the spread of HIV/AIDS, but it is important to note that responsibility for this does not only lie with these organizations, but with everyone in the Phumelela district.

The Free State HIV/AIDS, Sexually Transmitted Illnesses and Communicable Disease directorate in the department had budgeted an amount of R1 million for NGO and CBO funding for the year 2001/2002. These funds are part of the partnership campaign launched in October 1998 for government, NGOs, CBOs and Faith Based Organisations (FBOs) to join hands in the fight against HIV/AIDS and TB.

Funding is allocated according to district consortiums which are NGOs, CBOs and FBOs clusters based on different roles these structures play in the fight against HIV/AIDS, whether awareness or care. Furthermore the funding is based on provincial priorities, namely:

- Information, Education and Communication (IEC)
- Counselling
- Training
- People Living With Aids support services
- Legal issues and consultation on HIV/AIDS
- Rural programmes and outreach
- In and out of school youth programmes
- Women programmes
- Condom education, promotion and distribution

The main criteria for funding were as follows:

- NGO, CBO and FBO consortiums must be according to district needs and recommendations.
- Consortium to comprise of NGOs, CBOs and FBOs with good track record on HIV/AIDS.
- Members of the consortium who were previously funded to submit audited financial statements.
- Organizations were funded as consortiums/clusters not as individual organizations.
- Application from individual organizations to be accepted only from Xhariep for consolidation by the mentor (Naledi Hospice)

## 5.9 POVERTY ALLEVIATION AND GENDER EQUITY PROGRAMME

Each municipality experience similar and different local poverty situations and gender related problems. The following is a set of principles/guidelines that can be incorporated within the strategies of the municipality:

- Involve disadvantaged groups at the planning stage to ensure full ownership of projects/development/transformation.
- Community profile: establish a directory of organizations and vulnerable people at ward level.
- When disadvantaged people receive ownership of land a conscious effort must be made to ensure access to sustainable methods of production.

- Engage with farmers' unions/merging associates to enable involvement of all role-players in agriculture development.
- Involve tribal authorities in planning and projects.
- Cluster similar organizations /projects to use resource better.
- Consciously develop skills.
- Provide support to disadvantaged people with tender applications and simplify the process to promote access to tenders.
- Community mobilization e.g. street committee, networking.
- Illegal immigrants should be dealt with and planned for together with other areas and SADC.
- Implementation of free basic water.
- Focused targeting.
- Intervention based on well-researched information.
- Allocate funds over long periods.
- Appropriate support, monitoring and capacity programs.
- Integrated approach (multi sectoral)
- Strengthen local partnerships.
- Contextualise intervention (local context).

## 5.10 INTEGRATED COMMUNITY PARTICIPATION AND COMMUNICATION STRATEGY

The community participation strategy of the Phumelela Local Municipality focuses on compliance with the requirements of the Municipal Systems Act, 2000 and the Municipal Planning and Performance Management Regulations, 2001 in the manner in which the municipality organises its engagement structures and processes. In this regard, overall aim of the Municipality's participation strategy is to develop a culture of municipal governance that complements formal representative government with a system of participatory governance. In this regard, the objectives of the Municipality's participation processes are as follows (related to the requirements of s. 16 of the Systems Act, 2000):

- Encourage, and create conditions for, the local community to participate in the affairs of the municipality, including the preparation, implementation and review of its integrated development plan; the establishment, implementation and review of its performance management system; the monitoring and review of its performance, including the outcomes and impact of such performance; the preparation of its budget; and strategic decisions relating to the provision of municipal services.
- Contribute to building the capacity of the local community to enable it to participate in the affairs of the municipality; councillors and staff to foster community participation; and use its resources, and annually allocate funds in its budget, as may be appropriate for the purpose of implementing the IDP, PMS and community engagement initiatives.

*Communication Goals; linked to the Batho Pele Principles*

**STRATEGIC GOAL: Communication with all stakeholders is effective and efficient.**

**Objective 1: Consultation-** Members of the community are consulted about the level and quality of services they receive.

**Objective 2: Service standards-** Community- and staff members are aware of the standard of communication.

**Objective 3: Access-** Community members are aware that they are entitled to equal access to all communication processes.

**Objective 4: Courtesy-** All members of the community are treated in a courteous way during communication with councillors and/or career officials.

**Objective 5: Information-** Full and accurate information about all municipal services and other affairs is available to the public as and when required.

**Objective 6: Openness and transparency-** The public is informed how municipal decisions and operations are taken and conducted and what their implications are/will be.

**Objective 7: Value for money-** Messages to the public are conveyed on a value for money basis.

**Objective 8: Redress-** Complaints by the public about deviations from promised communication standards are responded to in a sympathetic and positive way, apologised for, explained and speedily remedied.

## 5.11 REFERENCE TO SECTOR PLANS

Table 13 Sector Plans

No.	Reference to Applicable Plan	Status	Comments
1	Detailed Spatial Development Framework	✓	Available: Presently under review
2	Detailed Disaster Management Plan	✓	Available: Reviewed in March 2008
3	Land Use Management System	✗	Not yet available – to be developed
4	Waste Management Plan	✗	Not yet available – to be developed
5	Water Services Development Plan	✗	Not yet available – part of the Municipality's SDBIP objectives
6	Housing Plan	✗	Not yet available – to be developed
7	Energy Master Plan	✗	Not yet available – part of the Municipality's SDBIP objectives
8	Local Economic Development Plan	✗	Not yet available – part of the Municipality's SDBIP objectives
9	Infrastructure Investment Plan	✗	Not yet available – to be developed
10	Anti-Corruption Strategy	✗	Available